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NEWS

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## O'Donnell Says Fund Took Role

Peter O'Donnell Jr., state chairman of the Republican party, admitted Tuesday that Central Intelligence Agency funds had been funneled through the Jones-O'Donnell Foundation, of which he is president, from 1960 through 1962.

He declined to elaborate on the foundation's receipt and disbursement of such funds, but indicated that "after giving it some careful consideration" he would make some kind of official statement.

O'Donnell explained, however, that the funds handled by the foundation were not related with his work in the Republican party.

O'Donnell's remarks coincided with Internal Revenue Service returns for his tax-exempt organization. The Dallas district office has records showing that the foundation received \$20,000 in 1961 and \$30,000 in 1962 from the Borden Trust and the Price Fund, both of which have been tagged as fronts for the intelligence agency. No check was made on 1960.

The records also indicated that the foundation, in turn, contributed to the American Friends of the Middle East and to the Cuban Freedom Commission of the Christian Form.

Tax returns also indicate that the Florence Foundation of Dallas, of which the Republic National Bank of Dallas is trustee, had played roles in the movement of CIA money.

A bank spokesman was quoted by the Associated Press as saying, "The foundation has filed all reports required by law. We have no other comment."

IRS returns show that the foundation reported a grant of \$60,000 from the Price Fund in 1963 and payments of \$45,000 to the Congress of Cultural Freedom and \$15,000 to the Committee of Correspondence.

Returns also show that the foundation received \$40,000 from the Price Fund in 1962 and \$10,000 from the Borden Trust. It gave \$40,000 to the Congress for Cultural Freedom and \$10,000 to the Committee of Correspondence.

The Jones-O'Donnell and Florence foundations are the second and third based in Dallas that have been named as possible CIA funds fronts. Also mentioned are the Hoblitzelle Foundation and the Kentfield Fund, though organization of the latter is somewhat of a mystery.

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